



# Department of Justice

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FOR IMMEDIATE RELEASE  
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**CONNECTICUT DAIRY COMPANY PLEADS GUILTY TO CHARGES  
OF BID RIGGING ON SCHOOL MILK CONTRACTS**

WASHINGTON, D.C. -- A Connecticut dairy company pleaded guilty today and agreed to pay \$100,000 in fines and restitution for conspiring to rig bids on dairy products sold to Connecticut schools, according to the Department of Justice's Antitrust Division.

This is the fourth milk case brought in Connecticut as a result of a grand jury investigation into suspected bid rigging in the dairy products industry, said Assistant Attorney General Anne K. Bingaman in charge of the Antitrust Division.

According to the charges filed in U.S. District Court in New Haven, Connecticut, A.C. Petersen Farms and others discussed prospective bids for school dairy contracts, then designated which company would be the low bidder on each contract.

The Department said A.C. Petersen Farms, in carrying out the conspiracy, submitted intentionally high bids on contracts to assist the other conspirators in obtaining school dairy contracts. The firm, based in West Hartford, Connecticut, was involved in the conspiracy from 1980 until July 30, 1989.

(MORE)

The investigation, which is continuing, is being conducted by the Division's New York field office with the assistance of the North Atlantic Regional Office of the U.S. Department of Agriculture Inspector General and the Connecticut Attorney General, Richard Blumenthal.

To date, 56 corporations and 51 individuals have been convicted and a total of approximately \$53.7 million in fines have been imposed in cases involving the supply of dairy products to public school districts.

Twenty-six individuals have been sentenced to serve a total of 4,684 days in jail--an average of approximately six months imprisonment in cases involving the supply of dairy products to public school districts. Civil damages total approximately \$8 million. Twenty-seven grand juries in 19 states continue to investigate the milk industry.

The maximum penalty for a corporation convicted under the Sherman Act for a violation occurring before November 16, 1990, is a fine not to exceed the greatest of \$1 million, twice the pecuniary gain the corporation derived from the crime or twice the pecuniary loss caused to the victims of the crime.

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